FRESHWATER FISH MARKETING CORPORATION

FIRST QUARTER REPORT

May 1, 2008 - July 31, 2008

SUMMARY *(numbers in thousands)*

	First Quarter		Year-To-Date	
	This Year	Last Year	This Year	Last Year
TOTAL SALES	**$ 12,908**	**$ 15,224**	**$ 12,908**	**$ 15,224**
NET INCOME	$ 728	$ 243	$ 728	$ 243
INITIAL PAYMENTS TO FISHERS*	**$ 11,320**	**$ 11,920**	**$ 11,320**	**$ 11,920**
ROUND EQUIVALENT KGS				
Pickerel	2,776	3,160	2,776	3,160
Sauger	89	36	89	36
Whitefish	1,264	1,149	1,264	1,149
Northern Pike	209	261	209	261
Mullet	207	260	207	260
Other	272	229	272	229
TOTAL WEIGHT	**4,817**	**5,095**	**4,817**	**5,095**

* Delivery Point, net freight

** All figures are preliminary until audited at the Corporation's fiscal year-end of April 30

PERFORMANCE HIGHLIGHTS

Revenue exceeded budget in the first quarter of the new fiscal year. It was, however, below the previous year's Q1 sales due in part to this year's lack of whitefish inventory. Another contributing factor is the comparison between above-normal pickerel volume in Q1 of 2007/08 (resulting from an inventory reduction strategy) and this year's Q1 pickerel sales being at normal levels.

Net income continued the previous quarter's strength as prices remained stable at levels not seen for several years.

Initial payments were down primarily due to lower pickerel deliveries.

Noteworthy Items from the First Quarter:

- The Board held its 4th Quarter Review meeting on June 25-26, 2008, and its 2007/08 Year-End Review on July 30-31, 2008, at which time the Annual Report was approved for submission to Ottawa.
- Government officials from Fisheries and Oceans and the Treasury Board (Ottawa) visited FFMC for a strategic planning presentation and plant tour.
- President J. Wood met with Manitoba's Water Stewardship Minister to discuss the spring fishery on Lake Winnipeg.
- In keeping with the Corporation's succession strategy, Gerald Malone has moved to Vice-President, Special Projects, and Paul Cater has joined the organization as Vice-President, Sales and Marketing.
- The Corporation participated in the Saskatchewan Commercial Fishermen's annual general meeting, as well as several meetings with fisher associations, government officials, and various other stakeholders.

HIGHLIGHTS BY PROVINCE

FIRST QUARTER REPORT

MANITOBA

(numbers in thousands)

- Initial payments to Manitoba fishers in the first quarter were down by 6% from last year, reflecting a late start in the spring fishery.
- For the same reason, pickerel deliveries decreased by 12% compared to the first quarter last year.
- Sauger deliveries showed a very large increase but over a very small base.
- Deliveries of whitefish were up significantly for Q1, mainly due to Norway House fishery targeting whitefish during June.
- Mullet and pike declined compared to Q1 last year, by 22% and 18% respectively.
- In the "other" category, there was an increase in lake trout deliveries, which was compensated by a decline in carp deliveries.

	First Quarter		Year-To-Date	
	This Year	Last Year	This Year	Last Year
INITIAL PAYMENTS TO FISHERS*	$ 10,226	$ 10,929	$ 10,226	$ 10,929
ROUND EQUIVALENT KGS				
Pickerel	2,730	3,110	2,730	3,110
Sauger	89	36	89	36
Whitefish	579	396	579	396
Northern Pike	178	217	178	217
Mullet	174	222	174	222
Other	139	151	139	151
TOTAL WEIGHT	3,889	4,132	3,889	4,132

* Delivery Point, net freight

SASKATCHEWAN

(numbers in thousands)

- Initial payments were up 40% compared to last year's first quarter, based on stronger whitefish deliveries at higher prices from both Wollaston and Reindeer lakes.
- Lake trout deliveries from Wollaston and Reindeer lakes, shown on the "other" line, also increased 65%.
- Decline in production was the rule for other species, with pickerel down 6%, northern pike lower by 37%, and mullet off by 16% compared to the first quarter last year.

	First Quarter		Year-To-Date	
	This Year	Last Year	This Year	Last Year
INITIAL PAYMENTS TO FISHERS*	$ 542	$ 387	$ 542	$ 387
ROUND EQUIVALENT KGS				
Pickerel	15	16	15	16
Sauger	0	0	0	0
Whitefish	303	233	303	233
Northern Pike	17	27	17	27
Mullet	32	38	32	38
Other	117	71	117	71
TOTAL WEIGHT	484	385	484	385

* Delivery Point, net freight

ALBERTA

(numbers in thousands)

- Initial payments to fishers in Alberta decreased by 11% compared to the first quarter last year, in spite of higher whitefish prices.
- There was a 36% decline in whitefish deliveries from Lesser Slave Lake compared to the first quarter last year, as a result of a deliberate decision to shift more of the lake quota to the fall season.

	First Quarter		Year-To-Date	
	This Year	Last Year	This Year	Last Year
INITIAL PAYMENTS TO FISHERS*	$ 262	$ 296	$ 262	$ 296
ROUND EQUIVALENT KGS				
Pickerel	28	26	28	26
Sauger	0	0	0	0
Whitefish	203	316	203	316
Northern Pike	0	1	0	1
Mullet	0	0	0	0
Other	2	0	2	0
TOTAL WEIGHT	233	343	233	343

* Delivery Point, net freight

NORTHWEST TERRITORIES

(numbers in thousands)

- Initial payments to NT fishers were 7% lower than for the first quarter last year.
- Increased initial prices for whitefish did nothing to reverse the established trend and deliveries were down again by 13%.
- The pattern of year-over-year decline in participation and fishing effort continues to plague the Great Slave Lake fishery.

	First Quarter		Year-To-Date	
	This Year	Last Year	This Year	Last Year
INITIAL PAYMENTS TO FISHERS*	$ 280	$ 302	$ 280	$ 302
ROUND EQUIVALENT KGS				
Pickerel	3	8	3	8
Sauger	0	0	0	0
Whitefish	177	203	177	203
Northern Pike	9	13	9	13
Mullet	0	0	0	0
Other	15	7	15	7
TOTAL WEIGHT	204	231	204	231

* Delivery Point, net freight

NORTHWESTERN ONTARIO

(numbers in thousands)

- There were a few small deliveries of whitefish and northern pike from Northwestern Ontario during the first quarter.
- Deliveries showed a modest increase over last year's levels.

	First Quarter		Year-To-Date	
	This Year	Last Year	This Year	Last Year
INITIAL PAYMENTS TO FISHERS*	$ 9	$ 6	$ 9	$ 6
ROUND EQUIVALENT KGS				
Pickerel	0	0	0	0
Sauger	0	0	0	0
Whitefish	2	2	2	2
Northern Pike	4	2	4	2
Mullet	1	1	1	1
Other	1	0	1	0
TOTAL WEIGHT	8	5	8	5

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Sauger	80	16	80	16
Whitefish	579	396	579	396
Northern Pike	178	217	178	217
Mullet	174	222	174	222
Other	148	151	148	151
TOTAL WEIGHT	**3,889**	**4,132**	**3,889**	**4,132**

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